



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

Retrospective Rating Program
PO Box 44180 • Olympia, Washington • 98504-4180
Fax (360) 902-4258 • <http://retro.LNI.wa.gov>

DATE: April 5, 2004

TO: Retro Advisory Committee

FROM: Frank Romero (Chair), Retro Program Manager

SUBJECT: Minutes of January 13, 2004, committee meeting

Meeting called to order by (acting) committee chair **Gary Van Cleef** at approximately 1:04 PM.

Bob Malooly (Assistant Director for Insurance Services), spoke about recent changes to Washington Administrative Code (WAC) that govern how the department apportions the cost of occupational disease claims. These changes were included with the same rules change package as the 2004 industrial insurance rates, and the department did not receive any testimony on the proposed occupational disease changes during any of the public rates hearings. Due to concerns about lack of feedback from constituents, L&I has decided to rescind the recent *occ dis* rule changes and re-submit them in a separate rule-making package, that will include another opportunity for public comment. The department is in the process of determining how this will affect occupational disease claims in the interim. Further information will be forthcoming.

Guest Speakers: *Paul Chasco* (**Association of Washington Cities**) and *Luis Cadavid & Michael Tsukada* (**SMART Advantage**) spoke briefly about their new retro groups.

Hearing Loss – Mary Burbage (*Supervisor, Hearing Loss Unit 6*) provided an update on the Hearing Loss claims. Currently, an employer will not receive any notification that a claim has been filed until liability has been apportioned by the department; this can affect the timeliness of any protests. They are considering different ways to change this situation, and are also developing a desk manual for hearing loss claim adjudicators, to help maintain consistency of claim management. They are expecting an increase in claims being filed due to recent changes in state law that affect how benefits are paid. Mary said that a Provider Bulletin will be published near the end of February (to be effective April 1), that will include the new fee schedule for hearing loss services. There will be some professional services itemized for billing purposes, that were not listed separately in the past.

Net Adjustment – Laura Smith (*Retrospective Rating*) discussed the new ‘statement’ format for the retrospective rating premium adjustment notices. The change was based on recommendations from the recent audit of retro program financial procedures. The statement will list all active coverage years for a given retro group, with a “net” figure that reflects refunds minus assessments. They plan to use the new format with the upcoming adjustment for the July coverage period.

Claims Initiatives – Tania Basham (*Claims Administration*) discussed recent and upcoming improvements in the claims area. All support staff for the claim units are being grouped together and they have received numerous positive comments about changes to the phone system. Even though callers can no longer dial the claim managers directly, their calls are being handled more quickly and efficiently with the new system. A central scheduling unit has been created in Seattle to schedule exams and IMEs. They will have their own toll-free phone number to be published on their letterhead. A ‘high roller’ claim unit is being established, with **Catherine McDonald** (360 902-6663) leading the project. Interpreter services are available now, and can be employed much more quickly if the ‘language’ box is checked on the claim form.

Voc Project – Dave Erickson (*Claims Administration*) reported on an early intervention project underway in Spokane and Everett. He also stated they are going to be contacting employers more quickly about return-to-work & kept-on-salary earlier once a time loss claim is filed. They are providing more training to staff and looking at new ways of doing things. The return-to-work database established for retro accounts will be expanding to include all state fund employers, and claims staff will be able to make updates to it as necessary.

Actuary’s Corner – Thomas Hess (*Actuarial Services*) provided a good news/bad news scenario. The projected refund for July enrollees will be fairly healthy, but will also be the lowest paid since 1995; however, the trend is improving.

Dates on Occupational Disease Claims – Brenda Heilman/Carla Reynolds (*Employer Services*) talked about the various dates used to determine employer liability and coverage year affected by occupational disease claims. The date of manifestation (DOM)-- or date the condition first became disabling (or date of diagnosis)-- versus date of last exposure (DOLE). *See handout.*

Good of the Order – Committee members asked that handouts be provided prior to the meeting, particularly when financial/actuarial information is to be discussed; this would allow time to read the material and consider any questions they might have. It was suggested the information could be distributed along with the proposed agenda.

Meeting adjourned at approximately 3:25 PM.

Next Meeting: Tuesday, April 13, 2004